

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR (1) A GENERAL)	
ADJUSTMENT OF ITS RATES FOR ELECTRIC)	CASE NO.
SERVICE; (2) AN ORDER APPROVING ITS 2017)	2017-00179
ENVIRONMENTAL COMPLIANCE PLAN; (3) AN)	
ORDER APPROVING ITS TARIFFS AND RIDERS;)	
(4) AN ORDER APPROVING ACCOUNTING)	
PRACTICES TO ESTABLISH REGULATORY)	
ASSETS AND LIABILITIES; AND (5) AN ORDER)	
GRANTING ALL OTHER REQUIRED APPROVALS)	
AND RELIEF)	

COMMISSION STAFF'S SECOND REHEARING REQUEST FOR INFORMATION
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested is due on or before May 18, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and

accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Power shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to respond completely and precisely.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky Power shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Exhibit AEV-S4, Tab PPA Form 5.0, Line 10 and the Commission's January 18, 2018 Order in this proceeding at 54, regarding Purchase Power limitation.

a. Explain why the description for this line item references the Purchase Power Limitation.

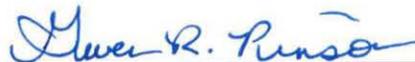
b. Refer also to Kentucky Power's response to Commission Staff's First Rehearing Request for Information ("Staff's First Rehearing Request"), Item 3,

Attachment 1. Explain why the amount for this item should be \$372,542 and not \$1,350,550 (\$372,542 + \$979,008).

2. Refer to Kentucky Power's response to Staff's First Rehearing Request, Item 3. Explain how the forced outage expense incurred in the test year was excluded from the test year.

3. Explain whether, in its application and supplemental filing dated August 7, 2017, Kentucky Power adjusted the total federal income tax expense included in the adjusted test year to reflect the statutory rate. If not, provide a reconciliation between the test-year amount of federal income taxes and the normalized amount.

4. For tax normalization purposes, explain whether accumulated deferred income taxes are assumed to be included at zero cost or excluded from the proposed test-year capitalization.



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DATED **MAY 08 2018**

cc: Parties of Record

Case No. 2017-00179

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